



UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

DIRECT MARKETING CONCEPTS, INC., et
al,

Defendants.

CIVIL ACTION NO. 04-CV-11136GAO

AFFIDAVIT OF MICHAEL WOOD

I, MICHAEL WOOD, under oath declare as follows:

1. I am a licensed contractor in the Commonwealth of Massachusetts. I worked at Direct Marketing Concepts ("DMC") for about six months beginning in May of 2002. During that time I became familiar with Scot Sarver. I have had the opportunity to read Scot Sarver's Affidavit and many of his allegations are false.
2. My first occasion to take note of him (Scot Sarver) was in May of 2002 when I had taken a sales job with DMC while I was recovering from an injury that prevented me from doing my normal contracting work. I was sitting at a call center cubicle and heard Scot talking to another phone representative about what he planned to do in an upcoming trip to Las Vegas.
3. Scot was detailing in very graphic terms a sex filled weekend that would include "Ten Hookers" in his hotel room. I would come to know him as a sex obsessed individual who desired almost any young girl he would encounter even

though he was ostensibly living with his wife and child at the time. He did not seem to mind that I, as well as a few other representatives could overhear him easily.

4. I believe that he was employed as an independent contractor at the time and felt immune to company policy and generally accepted behavior of a normal employee that prohibits such workplace discussions.

AUTO-SHIP

5. At no time during my employment as a phone representative did I ever hear of Donald Barrett condoning the improper practice of enrolling a customer on an auto-ship plan without the customers consent. In fact, quite the opposite was the case; any representative caught intentionally enrolling a customer into an auto-ship without consent would be immediately terminated.
6. I also had the opportunity to work in customer service and can unequivocally state that it is utterly absurd that enrolling a customer on the continuity program without their consent is a company policy.
7. During a break one day while I was working in customer service, I observed Mr. Sarver strolling about a newly leased area that the company was developing as a shipping fulfillment center. I engaged him in conversation about what was planned and so forth. During this conversation that he informed me that he was "An owner...a partner in the new facility and he would be working there normally". To my knowledge this is not a true and accurate statement.

8. A few months later, I mentioned the fact that Mr. Sarver was a partner in the fulfillment center to Susan Barrett and she just laughed explaining that it was just another tall tale that Scot told people. It was my first direct experience with the fact that he was an accomplished liar. I often heard second hand that he had a rare talent for looking you straight in the face and convincingly telling you something you know can't be true.
9. I left DMC in early 2003 and returned to my trade as a contractor with a technical specialty and was soon working in that capacity for DMC as well. Donald Barrett had asked me to be available during the actual taping of infomercials as anything could come up that needed immediate technical attention.
10. I was present in the studio during taping of every infomercial that Donald Barrett was involved with in Beverly, Ma and that includes the ones concerning Dr. Guerrero (Supreme Greens).
11. I can absolutely swear that Scot Sarver was not able to hear Donald Barrett ask Dr. Guerrero to add false statements concerning studies about Supreme Greens, because it never happened. The whole exchange is fiction as I would clearly remember any such thing being said. Moreover, Mr. Sarver was only present in the studio for brief periods when he was programming the phone extensions, not during any actual taping of an infomercial. When the show is in progress it is prohibited to enter and exit the studio. Scot only entered when there was a break and no dialog was taking place between Dr. Guerrero and Donald Barrett.

ASSAULTING FELLOW EMPLOYEE/RACIST ATTITUDE

12. I saw Scot Sarver with a black eye one day and asked him what had happened.


He told me that he was in a fist fight with another manager Simon in his office during work. He told me that the "Stupid Nigger" couldn't understand how to interpret some information and "had no business working here". He further stated that he "didn't understand why Donald Barrett hired Niggers anyway and put one in charge of media purchasing".(referring to Katherina Mena who is Simon's sister)

13. When I naturally inquired if he was worried he would be fired for assaulting a fellow employee he responded: "They wouldn't dare fire me...I could take this whole operation down". He said "The Feds are all over Don already...he doesn't need any more problems".

14. I was told Scot Sarver was terminated from DMC for a host of reasons such as his unethical behavior and stealing customers for his own personal gain.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 4th day of June, 2004 in Beverly, Massachusetts.


MICHAEL WOOD